

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1462**

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**Introduced by Assembly Member Feuer**

February 27, 2009

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~~An act relating to senior services.~~ *An act to amend Section 14083 of the Welfare and Institutions Code, relating to Medi-Cal.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1462, as amended, Feuer. ~~Health and long-term care: frail elderly.~~  
*Medi-Cal: inpatient hospital services contracts.*

*Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which qualified low-income persons are provided with health care services.*

*Under existing law, the California Medical Assistance Commission is authorized to negotiate inpatient hospital services contracts binding upon the State Department of Health Care Services. Existing law requires the commission to consider certain factors in negotiating inpatient hospital services contracts.*

*This bill would add graduate medical education programs to the list of factors the commission is required to consider when negotiating inpatient hospital services contracts.*

~~Existing law establishes programs, such as the Multipurpose Senior Services Program, administered through the California Department of Aging, to provide specified services to frail elderly individuals, as defined.~~

~~This bill would declare the intent of the Legislature to enact legislation to promote the development of community-based, capitated health and long-term care programs for the frail elderly.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. Section 14083 of the Welfare and Institutions*  
2     *Code is amended to read:*  
3     14083. The factors to be considered by the negotiator in  
4     negotiating contracts under this article, or in drawing specifications  
5     for competitive bidding, include, but are not limited to, all of the  
6     following:  
7     (a) Beneficiary access.  
8     (b) Utilization controls.  
9     (c) Ability to render quality services efficiently and  
10    economically.  
11    (d) Demonstrated ability to provide or arrange needed  
12    specialized services.  
13    (e) Protection against fraud and abuse.  
14    (f) Any other factor which would reduce costs, promote access,  
15    or enhance the quality of care.  
16    (g) *Graduate medical education programs.*  
17    ~~(g)~~  
18    (h) The capacity to provide a given tertiary service, such as  
19    specialized children's services, on a regional basis.  
20    ~~(h)~~  
21    (i) Recognition of the variations in severity of illness and  
22    complexity of care.  
23    ~~(i)~~  
24    (j) Existing labor-management collective bargaining agreements.  
25    ~~(j)~~  
26    (k) The situation of county hospitals and university medical  
27    centers contracting with counties for provision of health care to  
28    indigent persons entitled to care under Section 17000, which are  
29    burdened to a greater extent than private hospitals with bad debts,  
30    indirect costs, medical education programs, and capital needs.  
31    ~~(k)~~  
32    (l) The special circumstances of hospitals serving a  
33    disproportionate number of Medi-Cal beneficiaries and patients  
34    who are not covered by other third-party payers, including the

1 costs associated with assuring an adequate supply of registered  
2 nurses.

3 ~~(t)~~

4 (m) The costs of providing complex emergency services,  
5 including the costs of meeting and maintaining state and local  
6 requirements for trauma center designation.

7 ~~(m)~~

8 (n) The hospital does any of the following:

9 (1) Provides additional obstetrical beds.

10 (2) Contracts with one or more comprehensive perinatal  
11 providers.

12 (3) Permits certified nurse midwives, subject to hospital rules,  
13 and consistent with existing laws and regulations, to admit patients  
14 to the health facility.

15 (4) Expands overall obstetrical services in the hospital.

16 ~~(n)~~

17 (o) The special circumstances of hospitals whose Medi-Cal  
18 inpatient utilization rate exceeds the mean Medicaid inpatient  
19 utilization rate by at least one-half of one standard deviation.

20 ~~(o)~~

21 (p) The ability and capacity of the contracting hospital in a  
22 closed health facility planning area to provide health care services  
23 to beneficiaries who are in life threatening or emergency situations,  
24 but have been sufficiently stabilized at another noncontracting  
25 facility in order to facilitate transportation to the contracting  
26 hospital.

27 ~~(p)~~

28 (q) The ability of the contracting hospital to provide a secure  
29 environment for the provision of health care services. In this regard,  
30 the negotiator shall consider additional security measures that the  
31 contracting hospital may have taken to provide a secure  
32 environment, including, but not limited to, the use of detection  
33 equipment or procedures to detect lethal weapons, the appropriate  
34 use of surveillance cameras, limiting access of unauthorized  
35 personnel to the emergency department, installation of bullet proof  
36 glass as appropriate in designated areas, the use of emergency  
37 “panic” buttons to alert local law enforcement agencies, and  
38 assigning full-time security personnel to the emergency department.

1     ~~SECTION 1.—It is the intent of the Legislature to enact~~  
2     ~~legislation to promote the development of community-based,~~  
3     ~~capitated health and long-term care programs for the frail elderly.~~

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